



G. THOMAS SURTEES
Commissioner

State of Alabama Department of Revenue

(www.revenue.alabama.gov)
50 North Ripley Street
Montgomery, Alabama 36132
December 20, 2005

CYNTHIA UNDERWOOD
Assistant Commissioner
LEWIS A. EASTERLY
Secretary

TO: ALL PERSONS, FIRMS, AND CORPORATIONS making sales at retail and purchasing tangible personal property for use, storage, or consumption, or engaged in the business of leasing or renting tangible personal property, or engaged in the renting or furnishing of rooms, lodgings or accommodations to transients in the **City of Fort Payne**, Alabama (located in Dekalb County).

Pursuant to Sections 11-51-200, et seq., Code of Alabama 1975, and the Resolution adopted and approved by the City Council of Fort Payne on December 6, 2005, the Alabama Department of Revenue will begin collecting the city sales, use, rental and lodgings taxes previously collected by City of Fort Payne. The Alabama Department of Revenue will begin collecting the **City of Fort Payne sales, use, rental and lodgings taxes effective January 1, 2006**. Therefore, your last City of Fort Payne sales, use, rental and lodgings tax returns filed with the City of Fort Payne will be for the month of December 2005 due January 20, 2006.

Effective January 1, 2006, the City of Fort Payne will no longer levy a reduced **Rental Tax Rate** for machines, machinery, and equipment used in planting, cultivation and harvesting farm products, and machine parts and attachments for machines used in manufacturing tangible personal property. These items will be taxable at the 3% General Rate of Rental Tax, unless they qualify for the reduced Automotive Rental Tax Rate, as shown below.

The sales, use, rental and lodgings tax rates for the City of Fort Payne are as shown below:

Sales & Use Tax Rates:

General Rate	3%
Admissions to places of amusement and entertainment	3%
Retail Selling Price of food for human consumption sold through vending machines	3%
Net difference paid for machines, machinery, and equipment used in planting, cultivating and harvesting farm products	1%
Machines and parts and attachments for machines used in manufacturing tangible personal property	1%
Net difference paid for all automotive vehicles, truck trailers, semi-trailers and house trailers5%

Rental Tax Rates:

General Rate	3%
Lease or rental of linens and garments	3%
Lease or rental of automotive vehicles, truck trailers, semi-trailers and house trailers5%

Lodgings Tax Rate	5%
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The Law requires that the City of Fort Payne taxes be collected, reported and remitted in the same manner as the State Taxes. When you file and pay electronically, the City of Fort Payne sales, use, rental and lodgings taxes are to be included on the electronic city/county tax return assigned to you (City and County Tax Return, form 9501). Simply enter the gross amount and deductions, and all calculations will be done automatically for you. You may file these taxes online through the Internet at **www.revenue.alabama.gov/salestax/efiling.html**, or through the telephone by calling toll free **1-800-828-1727**. Telephone-filers should use Locality Code 9350.

Please direct all questions regarding the City of Fort Payne sales, use, rental and lodgings taxes to this office.

ALABAMA DEPARTMENT OF REVENUE
Sales, Use & Business Tax Division
P.O. Box 327710
Montgomery, Alabama 36132-7710
(334) 242-1490 or 1-866-576-6531